QUARTERLY REPORT

LICENSEE RESORTS INTERNATIONAL HOTEL, INC.

FOR THE QUARTER ENDED DECEMBER 31, 2003

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

TRADING NAME OF LICENSEE: RESORTS INTERNATIONAL HOTEL, INC.

BALANCE SHEETS

AS OF DECEMBER 31, 2003 AND 2002

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)		2003 (c)	2002 (d)
	ASSETS			
	Current Assets:			
1	Cash and Cash Equivalents		$ 15,383	$ 18,613
2	Marketable securities (Short Tm. money market at cost)		63,392	104,347
	Receivables and Patrons' Checks (Net of Allowance for			
3	Doubtful Accounts - 2003, $2,052; 2002, $4,202)	Note 3	5,175	5,098
4	Inventories		1,503	1,289
5	Prepaid Expenses and Other Current Assets		7,060	7,713
6	Total Current Assets		92,513	137,060
7	Investments, Advances, and Receivables	Note 4	12,356	18,529
8	Property and Equipment - Gross		212,730	158,775
9	Less: Accumulated Depreciation and Amortization		(23,121)	(12,934)
10	Property & Equipment - Net	Note 5	189,609	145,841
11	Other Assets		8,208	7,924
12	**Total Assets**		$ 302,686	$ 309,354
	LIABILITIES AND EQUITY			
	Current Liabilities:			
13	Accounts Payable		$ 3,390	$ 5,563
14	Notes Payable		-	-
	Current Portion of Long-Term Debt:			
15	Due to Affiliates		-	-
16	Other		846	1,004
17	Income Taxes Payable and Accrued		407	-
18	Other Accrued Expenses	Note 6	13,701	18,027
19	Other Current Liabilities	Note 7	8,439	8,789
20	Total Current Liabilities		26,783	33,383
	Long-Term Debt:			
21	Due to Affiliates	Note 8	176,599	176,151
22	Other	Note 8	6,682	6,857
23	Deferred Credits		5,591	4,653
24	Other Liabilities		-	-
25	Commitments and Contingencies		-	-
26	**Total Liabilities**		215,655	221,044
27	**Stockholders, Partners', or Proprietor's Equity**		87,031	88,310
28	**Total Liabilities and Stockholders'Equity**		$ 302,686	$ 309,354

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: RESORTS INTERNATIONAL HOTEL, INC.

STATEMENTS OF INCOME

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2003 AND 2002

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2003 (c)	2002 (d)
	Revenue:		
1	Casino	$ 230,135	$ 259,208
2	Rooms	11,163	13,031
3	Food and Beverage	22,079	24,649
4	Other	6,496	6,488
5	Total Revenue	269,873	303,376
6	Less: Promotional Allowances	56,209	68,856
7	Net Revenue	213,664	234,520
	Costs and Expenses:		
8	Cost of Goods and Services	147,575	154,725 *
9	Selling, General, and Administrative	37,038	41,956 *
10	Provision for Doubtful Accounts	468	1,305
11	Total Costs and Expenses	185,081	197,986
12	**Gross Operating Profit**	28,583	36,534
13	Depreciation and Amortization	13,557	10,693
	Charges from Affiliates Other than Interest:		
14	Management Fees	-	-
15	Other	-	-
16	**Income (Loss) from Operations**	15,026	25,841
	Other Income (Expenses):		
17	Interest (Expense) - Affiliates ... Note 9	(17,540)	(17,726)
18	Interest (Expense) - External	(310)	(248)
	Investment Alternative Tax and Related Expense,		
19	Net of Amortization of $0 and $4 Respectively	2,280	(550)
20	Nonoperating Income (Expense) - net ... Note 10	1,015	(1,243)
21	Total Other Income (Expenses)	(14,555)	(19,767)
22	**Income (Loss) Before Income Taxes and Extraordinary Items**	471	6,074
23	Provision (Credit) for Income Taxes ... Note 11	1,727	3,197
24	**Income (Loss) Before Extraordinary Items**	(1,256)	2,877
25	Extraordinary Items (net of income tax benefit)	-	-
26	**Net Income (Loss)**	$ (1,256)	$ 2,877

* Prior year information has been restated to conform to current year presentation.

The accompanying notes are an integral part of the financial statements.
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TRADING NAME OF LICENSEE: RESORTS INTERNATIONAL HOTEL, INC.

STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED DECEMBER 31, 2003 AND 2002

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2003 (c)	2002 (d)
	Revenue:		
1	Casino	$ 46,883	$ 56,944
2	Rooms	3,064	2,653
3	Food and Beverage	4,925	5,342
4	Other	1,516	1,269
5	Total Revenue	56,388	66,208
6	Less: Promotional Allowances	12,657	14,792
7	Net Revenue	43,731	51,416
	Costs and Expenses:		
8	Cost of Goods and Services	34,327	36,391 *
9	Selling, General, and Administrative	7,808	10,140 *
10	Provision for Doubtful Accounts	(60)	391
11	Total Costs and Expenses	42,075	46,922
12	**Gross Operating Profit**	1,656	4,494
13	Depreciation and Amortization	3,660	3,492
	Charges from Affiliates Other than Interest:		
14	Management Fees	-	-
15	Other	-	-
16	**Income (Loss) from Operations**	(2,004)	1,002
	Other Income (Expenses):		
17	Interest (Expense) - Affiliates	(3,918)	(4,950)
18	Interest (Expense) - External	(77)	(84)
19	Investment Alternative Tax and Related Expense, Net of Amortization of $0 and $0 Respectively	(114)	(1,309)
20	Nonoperating Income (Expense) - net	192	753
21	Total Other Income (Expenses)	(3,917)	(5,590)
22	**Income (Loss) Before Income Taxes and Extraordinary Items**	(5,921)	(4,588)
23	Provision (Credit) for Income Taxes	(1,604)	(2,009)
24	**Income (Loss) Before Extraordinary Items**	(4,317)	(2,579)
25	Extraordinary Items (net of income tax benefit)	-	-
26	**Net Income (Loss)**	$ (4,317)	$ (2,579)

* Prior year information has been restated to conform to current year presentation.

The accompanying notes are an integral part of the financial statements.
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TRADING NAME OF LICENSEE: RESORTS INTERNATIONAL HOTEL, INC.

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002
AND THE TWELVE MONTHS ENDED DECEMBER 31, 2003

(UNAUDITED)
($ IN THOUSANDS)

Line (a)	Description (b)	Common Stock Shares (c)	Common Stock Amount (d)	Preferred Stock Shares (e)	Preferred Stock Amount (f)	Additional Paid-In Capital (g)	(h)	Retained Earnings (Accumulated) (Deficit) (i)	Total Stockholders' Equity (Deficit) (j)
1	**Balance, December 31, 2001**	1,000,000	$ 1,000		$	$ 41,879		$ 7,888	$ 50,767
2	Net Income (Loss) - 2002							2,877	2,877
3	Contribution to Paid-in-Capital					35,000			35,000
4	Dividends								
5	Prior Period Adjustments								
6	Sale of Hedging Instrument							(151)	(151)
7	Changes in value of stock options granted to employees and consultants					(183)			(183)
8									
9									
10	**Balance, December 31, 2002**	1,000,000	1,000			76,696		10,614	88,310
11	Net Income (Loss) - 2003							(1,256)	(1,256)
12	Contribution to Paid-in -Capital								-
13	Dividends								-
14	Changes in value of stock options granted to employees and consultants					(23)			(23)
15									-
16									-
17									-
18									-
19	**Balance, December 31, 2003**	1,000,000	$ 1,000		$	$ 76,673	$	$ 9,358	$ 87,031

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2003 AND 2002

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2003 (c)	2002 (d)
1	**Net Cash Provided (Used) by Operating Activities**	$ 4,177	$ 26,997
	Cash Flows From Investing Activities:		
2	Purchase of Short-Term Investment Securities	-	-
3	Proceeds from the Sale of Short-Term Investment Securities	-	-
4	Cash Outflows for Property and Equipment	(54,135)	(21,640)
5	Proceeds from Disposition of Property and Equipment	-	-
6	Purchase of Casino Reinvestment Obligations	(3,020)	(3,179)
7	Purchase of Other Investments and Loans/Advances made	-	-
8	Proceeds from Disposal of Investments and Collection of Advances and Long-Term receivables	-	-
9	Cash Outflows to Acquire Business Entities	-	-
10	CRDA Reimbursement	9,189	1,492
11		-	-
12	**Net Cash Provided (Used) By Investing Activities**	(47,966)	(23,327)
	Cash Flows From Financing Activities:		
13	Cash Proceeds from Issuance of Short-Term Debt	-	-
14	Payments to Settle Short-Term Debt	(979)	(682)
15	Cash Proceeds from Issuance of Long-Term Debt	645	-
16	Costs of Issuing Debt	(62)	(8,516)
17	Payments to Settle Long-Term Debt	-	-
18	Cash Proceeds from Issuing Stock or Capital Contributions	-	35,000
19	Purchases of Treasury Stock	-	-
20	Payments of Dividends or Capital Withdrawals	-	-
21	Other Financing Activities	-	(992)
22	Advances from (Repayment to) Parent Company and Affiliates	-	79,117
23	**Net Cash Provided (Used) By Financing Activities**	(396)	103,927
24	**Net Increase (Decrease) in Cash and Cash Equivalents**	(44,185)	107,597
25	**Cash and Cash Equivalents at Beginning of Period**	122,960	15,363
26	**Cash and Cash Equivalents at End of Period**	$ 78,775	$ 122,960

	Cash Paid During Period For:		
27	Interest (Net of Amount Capitalized)	$ 17,388	$ 12,726 *
28	Income Taxes (Net of amounts refunded)	$ (609)	$ 4,350

* Prior year information has been restated to conform to current year presentation.

STATEMENTS OF CASH FLOWS

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2003 AND 2002

(UNAUDITED)
($ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2003 (c)	2002 (d)
	Net Cash Flows From Operating Activities:		
29	Net Income	$ (1,256)	$ 2,877
	Noncash Items Included in Income and Cash Items Excluded from Income:		
30	Depreciation and Amortization of Property and Equipment	10,306	8,468
31	Amortization of Other Assets	3,251	2,225
32	Amortization of Debt Discount or Premium	448	316
33	Deferred Income Taxes - Current	79	-
34	Deferred Income Taxes - Noncurrent	938	3,304
35	(Gain) Loss on Disposition of Property and Equipment	61	-
36	(Gain) Loss on Casino Reinvestment Obligations	(2,280)	550
37	(Gain) Loss from Other Investment Activities	-	-
38	Net (Increase) Decrease in Receivables and Patrons' Checks	(77)	3,175
39	Net (Increase) Decrease in Inventories	(214)	247
40	Net Decrease (Increase) in Other Current Assets	574	(2,523)
41	Net Decrease (Increase) in Other Assets	(1,311)	1,083
42	Net Increase (Decrease) in Accounts Payable	(2,173)	(183)
43	Net (Decrease) Increase in Other Current Liabilities Excluding Debt	(4,146)	4,262
44	Net Increase (Decrease) in Other Noncurrent Liabilities Excluding Debt	(23)	(182)
45	Loss on extinguishment of debt	-	3,378
46			
47	**Net Cash Provided (Used) By Operating Activities**	$ 4,177	$ 26,997

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

LINE (a)	DESCRIPTION (b)	2003 (c)	2002 (d)
	Acquisition of Property and Equipment:		
48	Additions to Property and Equipment	$ (54,135)	$ (28,170)
49	Less: Capital Lease Obligations incurred	-	6,530
50	**Cash Outflows for Property and Equipment**	$ (54,135)	$ (21,640)
	Acquisition of Business Entitities:		
51	Property and Equipment Acquired	$	$
52	Goodwill Acquired		
53	Net Assets Acquired Other than Cash, Goodwill, and Property and Equipment		
54	Long-Term Debt Assumed		
55	Issuance of Stock or Capital Invested		
56	**Cash Outflows to Acquire Business Entities**	$ -	$ -
	Stock Issued or Capital Contributions:		
57	Total Issuances of Stock or Capital Contributions	$ -	$ 35,000
58	Less: Issuances to Settle Long-Term Debt		
59	Consideration in Acquisition of Business Entities		
60	**Cash Proceeds from Issuing Stock or Capital Contributions**	$ -	$ 35,000

The accompanying notes are an integral part of the financial statements.
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE: RESORTS INTERNATIONAL HOTEL, INC.

SCHEDULE OF PROMOTIONAL EXPENSES AND ALLOWANCES

($ IN THOUSANDS)

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2003

		Promotional Allowances		Promotional Expenses		
Line (a)	(b)	Number of Recipients (c)	Dollar Amount (in thousands) (d)	Number of Recipients (e)	Dollar Amount (in thousands) (f)	
1	Rooms	87,062	$ 9,904	1,173	$ 169	
2	Food	999,304	12,050	279	31	
3	Beverage	419,138	2,373	-	-	
4	Travel	-	-	18,522	1,666	
5	Bus Program Cash	634,650	9,334	-	-	
6	Other Cash Complimentaries	731,756	20,384	-	-	
7	Entertainment	33,134	1,894	2,377	299	
8	Retail & Non-Cash Gifts	9,584	147	1,440	394	
9	Parking		-	-	-	
10	Other	7,388	123	58,657	830	*
11	Total	2,922,016	$ 56,209	82,448	$ 3,389	

FOR THE THREE MONTHS ENDED DECEMBER 31, 2003

		Promotional Allowances		Promotional Expenses		
Line (a)	(b)	Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)	
1	Rooms	16,776	$ 2,527	174	$ 29	
2	Food	217,927	2,616	23	3	
3	Beverage	106,411	589	-	-	
4	Travel	-	-	4,311	367	
5	Bus Program Cash	131,647	1,968	-	-	
6	Other Cash Complimentaries	157,701	4,419	-	-	
7	Entertainment	6,545	477	746	113	
8	Retail & Non-Cash Gifts	2,037	38	330	133	
9	Parking	-	-	-	-	
10	Other	1,611	23	16,600	235	*
11	Total	640,655	$ 12,657	22,184	$ 880	

* Included in Other Promotional Expenses for the three months and twelve months ended December 31, 2003 are tobacco complimentaries in the amounts of $81 and $226 respectively. No other single item or service included in other exceeds 5% of the column total.

RESORTS INTERNATIONAL HOTEL INC.
NOTES TO FINANCIAL STATEMENTS

1. Merger and Basis of Presentation

Colony RIH Holdings, Inc., a Delaware corporation ("CRH"), owns 100% of the outstanding common stock of Resorts International Hotel and Casino, Inc., also a Delaware corporation ("RIHC"). RIHC, through its wholly-owned subsidiary, Resorts International Hotel, Inc., a New Jersey corporation ("RIH" or the "Company"), owns and operates Resorts Atlantic City, a casino/hotel located in Atlantic City, NJ.

RIHC, Kerzner International North America, Inc., a Delaware corporation ("KINA"), formerly Sun International North America, Inc., and GGRI, Inc., a Delaware corporation ("GGRI"), entered into a purchase agreement, dated October 30, 2000, as amended (the "Purchase Agreement"). Pursuant to the Purchase Agreement, RIHC acquired all of the capital stock of RIH, the Warehouse Assets (as defined in the Purchase Agreement) and all of the capital stock of New Pier Operating Company, Inc. ("New Pier"), a New Jersey corporation (collectively, the "Acquisition") on April 25, 2001 for approximately $144.8 million

The Acquisition has been accounted for using the purchase method, and accordingly, the aggregate purchase price, including transaction fees and expenses, has been allocated based on the fair value of the assets acquired and liabilities assumed.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Allowances for doubtful accounts arising from casino, hotel and other services, are based upon a specific review of certain outstanding receivables. In determining the amounts of the allowances, certain estimates and assumptions are made, and actual results may differ from those assumptions.

Cash Equivalents

Short-term money market securities purchased with original maturities of three months or less are considered to be cash equivalents. These securities are classified as available-for-sale, which are carried at fair value with unrealized gains and losses, net of tax, reported in other comprehensive income. The carrying value of cash equivalents approximates fair value due to the short-term maturity of these instruments.

Marketable Securities

On March 22, 2002, RIHC sold $180.0 million aggregate principal amount of 11-1/2% first mortgage notes (the "First Mortgage Notes") (see Note 8, "Long-Term Debt"). Concurrent with the sale of the First Mortgage Notes, CRH issued class A common stock and class B common stock to its existing shareholders for a total price of approximately $35.0 million. The proceeds from the sale of the First Mortgage Notes and issuance of stock were used to retire existing debt and are being used to finance the cost to develop, construct and equip a new hotel tower. Additionally, $10.0 million of the proceeds from the issuance of stock has been deposited in a liquidity disbursement account to be used for working capital in the event that RIH's Adjusted Consolidated EBITDA, as defined in the First Mortgage Notes Indenture, fails to meet certain specified criteria, as described in the Indenture. Of the proceeds, approximately $50.4 million is considered a restricted cash investment under the terms of the debt offering and is included in Marketable Securities on the accompanying balance sheet as of December 31, 2003.

Inventories

Inventories of provisions, supplies and spare parts are valued at the lower of cost (first-in, first-out) or market.

2. Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment are stated at cost and are depreciated over their estimated useful lives reported below using the straight-line method. Interest costs incurred during the construction period are capitalized in accordance with Statement of Financial Accounting Standards No. 34, "Capitalization of Interest Costs." Interest cost of $3.6 million and $429,000 was capitalized for the years ended December 31, 2003 and 2002, respectively.

Hotels and other buildings	35 – 40	years
Furniture fixtures and equipment	2 – 5	years

The provisions of SFAS No. 144 "Accounting for the Impairment or Disposal of Long- Lived Assets" requires, among other things, that an entity review its long-lived assets and certain intangibles for impairment whenever changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. SFAS No. 144 requires an impairment loss to be recognized only if the carrying amounts of long-lived assets to be held and used are not recoverable from their expected undiscounted future cash flows. There was no impairment recognized for the periods presented.

Income Taxes

RIH follows the provisions of SFAS No. 109, "Accounting for Income Taxes". Accordingly, deferred tax assets and liabilities are calculated as the difference between the financial statement carrying amounts and tax bases of assets and liabilities. These differences are affected by the tax rate for the year in which they are expected to be recovered or settled. A valuation allowance is recognized, if necessary, to account for the likelihood that these differences will not be realized in the future. Note 11 further addresses the components of the deferred tax assets and liabilities.

Revenue Recognition

Gaming revenue is recorded as the net win from gaming activities, which represents the difference between amounts wagered and amounts won by patrons. Revenues from hotel and related services and from theater ticket sales are recognized at the time the related service is performed.

Reclassifications

Certain amounts in the prior period financial statements have been reclassified to conform to their current period presentation.

New Accounting Pronouncements

Effective January 1, 2003, the Company adopted the Financial Accounting Standards Board's ("FASB") interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others, an Interpretation of FASB Statement No. 5, 57 and 107 and Rescission of FASB Interpretation No. 34" ("FIN 45"). The interpretation requires that upon issuance of a guarantee, the entity must recognize a liability for the fair value of the obligation it assumes under the guarantee. In addition, FIN 45 requires disclosures about the guarantee that an entity has issued, including a roll-forward of the entity's product warranty liabilities. This interpretation is intended to improve the comparability of financial reporting by requiring identical accounting for guarantees issued with separately identified consideration and guarantees issued without separately identified consideration. Adoption of this interpretation had no material impact on the Company's consolidated financial position, consolidated results of operation, or liquidity.

2. Summary of Significant Accounting Policies (continued)

In January 2003, the FASB issued interpretation No. 46 ("FIN 46"), "Consolidation of Variable Interest Entities, an interpretation of ARB 51." The primary objectives of this interpretation are to provide guidance on the identification of entities for which control is achieved through means other than through voting rights ("variable interest entities") and how to determine when and which business enterprise (the "primary beneficiary") should consolidate the variable interest entity. This new model for consolidation applies to an entity which either (i) the equity investors (if any) do not have a controlling financial interest; or (ii) the equity investment at risk is insufficient to finance that entity's activities without receiving additional subordinated financial support form other parties. In addition, FIN 46 requires that the primary beneficiary, as well as all other enterprises with a significant variable interest in a variable interest entity, make additional disclosures. Certain disclosure requirements of FIN 46 were effective for financial statements issued after January 31, 2003. In December 2003, The FASB issued FIN 46 (revised December 2003), "Consolidation of Variable Interest Entities" ("FIN 46-R") to address certain FIN 46 implementation issues. The effective dates and impact of FIN 46 and FIN 46-R are as follows: (i) Special-purpose entities ("SPEs") created prior to February 1, 2003- the company must apply either the provision of FIN 46 or early adopt the provisions of FIN 46-R at the end of the first interim or annual reporting period ending after December 15, 2003. (ii) Non-SPEs created prior to February 1, 2003- the company is required to adopt FIN 46-R at the end of the first interim or annual reporting period ending after March 15, 2004. (iii) All entities, regardless of whether an SPE, that were created subsequent to January 31, 2003- the provision of FIN 46 were applicable for variable interests in entities obtained after January 31, 2003. The adoption of the provisions applicable to SPEs and all other variable interests obtained after January 31, 2003 did not have a material impact on the Company's consolidated financial position, consolidated results of operations, or liquidity. The Company is currently evaluating the impact of adopting FIN 46-R applicable to non-SPEs created prior to February 1, 2003 but does not expect a material impact.

3. Receivables

Components of receivables were as follows at December 31 (in thousands):

	2003	2002
Gaming	$5,733	$8,135
Less: allowance for doubtful accounts	(2,011)	(4,161)
	3,722	3,974
Non-gaming:		
Hotel and related	321	282
Other	1,173	883
	1,494	1,165
Less: allowance for doubtful accounts	(41)	(41)
	1,453	1,124
Receivables, net	$5,175	$5,098

4. Investments, Advances and Receivables

Components of investments, advances and receivables were as follows at December 31 (in thousands):

	2003	2002
CRDA bonds and direct investments	$14,544	$9,440
CRDA deposits	6,129	18,730
Valuation allowance	(8,317)	(9,641)
	$12,356	$18,529

The New Jersey Casino Control Act, as amended, requires RIH to purchase bonds issued by the Casino Reinvestment Development Authority (CRDA) or make other investments authorized by the CRDA, in an amount equal to 1.25% of RIH's gross gaming revenue, as defined.

The CRDA bonds have interest rates ranging from 3.5% to 7.0% and have repayment terms of between 20 and 50 years. RIH records a valuation allowance to reflect the below-market interest rate payable on the bonds it may have to purchase to fulfill its investment obligation at the date the obligation arises. The charges (credits) for the years

4. Investments, Advances and Receivables (continued)

2003 and 2002 for discounts on obligations arising in those years were ($2,280,000) and $547,000, respectively. The current year credit is due to the reversal of approximately $3.0 million of amortization expense related to discounts on funds previously deposited with the CRDA in below-market bearing instruments. This reversal resulted from the receipt from the CRDA of $9,189,000 of previously deposited funds as reimbursement for costs incurred for the construction of a new hotel tower. The discount on CRDA bonds purchased is amortized to interest income over the life of the bonds using the effective interest method.

From time to time RIH has donated certain funds it has had on deposit with the CRDA in return for either relief from its obligation to purchase CRDA bonds or credits against future CRDA deposits. At December 31, 2003, RIH owned $7,165,000 face value of bonds issued by the CRDA and had $6,129,000 on deposit with the CRDA. The majority of RIH's deposits have been pledged for specific project.

5. Property and Equipment

Components of property and equipment were as follows at December 31 (in thousands):

	2003	2002
Land and land rights	$34,698	$34,698
Hotels and other buildings	80,125	79,038
Furniture, fixtures and equipment	39,091	30,435
Construction in progress	58,816	14,604
	212,730	158,775
Less: accumulated depreciation	(23,121)	(12,934)
Net property and equipment	$189,609	$145,841

6. Other Accrued Expenses

Components of other accrued expenses were as follows at December 31 (in thousands):

	2003	2002
Insurance and related costs	$1,720	$1,623
Payroll	6,496	9,293
Liability for unredeemed cash incentives	2,058	2,538
Other	3,427	4,573
	$13,701	$18,027

7. Other Current Liabilities

Components of other current liabilities were as follows at December 31 (in thousands):

	2003	2002
Interest payable	$6,038	$6,038
CRDA obligation	593	714
Other	1,808	2,037
	$8,439	$8,789

8. Long-Term Debt

Due to Affiliates

On March 22, 2002, RIHC sold $180.0 million aggregate principal amount of First Mortgage Notes (the "First Mortgage Notes") at a price of 97.686% yielding $175.8 million. Interest on the First Mortgage Notes is payable on March 15 and September 15 of each year, and the First Mortgage Notes are due in full on March 15, 2009. In conjunction with the issuance of the First Mortgage Notes, RIHC issued a note to RIH with terms that mirror those of the First Mortgage Notes.

8. Long-Term Debt (continued)

The First Mortgage Notes contain certain covenants that, among other things, will limit RIHC's ability and the ability of its subsidiaries to pay dividends on, redeem or repurchase its or their capital stock, make investments, incur additional indebtedness, permit payment of or restrict dividends by certain of its subsidiaries, enter into sale leaseback transactions, sell assets, guarantee indebtedness, create certain liens, engage in transactions with affiliates, and consolidate, merge or transfer all or substantially all our assets and the assets of its subsidiaries on a consolidated basis.

Other

Other long-term debt is summarized as follows at December 31 (in thousands):

	2003	2002
Thermal Energy capital lease	$ 6,474	$ 6,562
Other	1,054	1,299
	7,528	7,861
Less: current portion	846	1,004
	$ 6,682	$ 6,857

In June 2002, RIH entered into a Thermal Energy Services Agreement (the "Thermal Agreement"). The initial term of the Thermal Agreement is 20 years, renewable at RIH's option for two additional five-year terms. The Thermal Agreement has three components: a monthly charge for operation and maintenance of the thermal energy facilities; a capital lease component for capital improvements whose value was estimated at $6.5 million on the date the Thermal Agreement was executed, and; a usage fee for steam and chilled water, whose usage and rate will vary by month of the year. The outstanding balance of the capital lease was $6.5 million at December 31, 2003.

In June 2002, RIH entered into a Restated Loan and Security Agreement with CIT Group/Equipment Financing, Inc ("CIT Facility"). The CIT Facility permits RIH to borrow up to $20 million for the purchase of machinery, furniture, or equipment. Loans pursuant to the CIT Facility are repayable in up to a sixty- month amortization period from the date the loan is made. Interest on outstanding loans bear interest at the rate of LIBOR plus three and one-half percent. RIH is required to pay an annual fee equal to one-half percent of the unused portion of the CIT Facility. The outstanding balance due to CIT at December 31, 2003 was $1.1 million.

In November 2002, RIH entered into a Loan and Security Agreement with Commerce Bank, N.A ("Commerce Facility"). The Commerce Facility provides for working capital borrowings and letters of credit up to $10 million. The Commerce Facility expires on December 31, 2004. There was no outstanding balance on the Commerce Facility at December 31, 2003.

In conjunction with the Acquisition, RIHC borrowed $82.0 million under an Amended and Restated Credit Agreement, dated April 25, 2001, from the lenders named therein. The Credit Facility was comprised of $80.0 million in term loans and a $10.0 million revolving credit facility. Principal payments on the term loans were due quarterly, commencing on June 29, 2001. Interest on borrowings outstanding was either at LIBOR or an alternative base rate, plus an applicable margin in each case. The outstanding balance on the Credit Facility was repaid on March 22, 2002, with the proceeds from the sale of the First Mortgage Notes. Additionally, RIHC terminated its existing interest rate collar agreements.

In conjunction with the Acquisition, CRH also issued a $17.5 million note to KINA (the "Seller Note"). The Seller Note was subordinated to the term loans under the Credit Facility and had a 7-year term. This loan had interest at 12.5% per annum of which 6.25% was payable in cash and 6.25% was paid in kind. There was no amortization of principal on this loan. The Seller Note was repaid on March 22, 2002, with the proceeds from the sale of the First Mortgage Notes.

In connection with the repayment of the Credit Facility and the Seller Note, RIHC recorded a loss on extinguishment of debt, of $3,378,000 related to pre-payment penalties and the write-off of deferred financing costs associated with the Credit Facility.

9. Related Party Transactions

RIH recorded the following expenses from affiliates for the year ended December 31 (in thousands):

	2003	2002
Interest on Credit Facility	$ --	$ 53
Interest on Seller Note	--	500
Interest on Term Loan A	--	257
Interest on Term Loan B	--	815
Interest and amortization of discounts on First Mortgage Notes	21,149	16,359
Interest expense on hedging instruments	13	171
Less: capitalized interest	(3,622)	(429)
	$ 17,540	$ 17,726

10. Non-operating income (expense), net

Components of non-operating income (expense) were as follows at December 31 (in thousands):

	2003	2002
Interest income	$ 1,294	$ 1,954
Loss on extinguishment of debt	--	(3,378)
Other	(279)	181
	$ 1,015	$ (1,243)

11. Income Taxes

Income tax expense is comprised of the following for the years ended December 31 (in thousands):

	2003	2002
Current:		
Federal	$ (369)	$ 795
State	1,079	947
	710	1,742
Deferred:		
Federal	1,017	1,455
State	--	--
	1,017	1,455
	$ 1,727	$ 3,197

The components of the deferred tax assets and liabilities were as follows at December 31 (in thousands):

	2003	2002
Deferred tax liabilities:		
Basis differences on property and equipment	$ (5,033)	$ (3,702)
Other	(1,564)	(1,809)
Total deferred tax liabilities	(6,597)	(5,511)
Deferred tax assets:		
NOL and capital loss carryforwards	8,477	8,477
Book reserves not yet deductible for tax	3,190	3,823
Tax credit carryforwards	441	73
Other	1,832	1,361
Total deferred tax assets	13,940	13,734
Valuation allowance for deferred tax assets	(8,640)	(8,503)
Deferred tax assets, net of valuation allowance	5,300	5,231
Net deferred tax assets (liabilities)	$ (1,297)	$ (280)

11. Income Taxes (continued)

The effective income tax rate varies from the statutory Federal income tax rate as a result of the following factors (in thousands):

	Year ended December 31, 2003	Year ended December 31, 2002
Statutory federal income tax rate	34.0%	34.0%
State taxes, net of federal benefit	151.3%	10.3%
Non-deductible provisions and expenses	181.7%	8.3%
Effective tax rate	367.0%	52.6%

On June 30, 2003, the State of New Jersey amended the New Jersey Casino Control Act, effective July 1, 2003, to impose or increase certain taxes and fees, including a tax at the rate of 7.5% on the adjusted net income of casino licensees in calendar year 2002, payable in the state's fiscal years 2004 though 2006. The amount of this tax for each licensee is limited to a maximum of $10.0 million annually and a minimum of $350,000 annually. For the year ended December 31, 2003, the Company recorded a provision of $175,000 for this tax.

On July 3, 2002, the State of New Jersey passed the New Jersey Business Tax Reform Act which, among other things, requires the suspension of the use of the New Jersey net operating loss carryforwards for two years and the introduction of a new alternative minimum amount under the New Jersey corporate business tax based on gross receipts or gross profits, as defined. The Tax Act was retroactive to January 1, 2002. In accordance with the Tax Act, the Company recorded a provision for current income tax of $712,000, net of federal benefit, for the year ended December 31, 2003.

At December 31, 2003, the Company has a state net operating loss carryforward of approximately $144.9 million. The carryforward will expire as follows: 2005, $32.8 million; 2006, $2.4 million; 2007, $40.2 million; 2008, $20.7 million; and 2009, $48.8 million. The Company has reported a full valuation allowance against the carryforward because it does not expect to realize the tax benefit.

12. Commitments and Contingencies

Litigation

RIH is a defendant in certain litigation. In the opinion of management, based upon advice of counsel, the aggregate liability, if any, arising from such litigation will not have a material adverse effect on the financial position, results of operations, or liquidity of RIH.

License Renewal

On January 21, 2004, the New Jersey Casino Control Commission (the "NJCCC") renewed RIH's license to operate its casino hotel complex in Atlantic City for the four year period ending January 31, 2008. A casino license is not transferable, and must be renewed every four years by filing an application, which must be acted upon by the NJCCC no later than 30 days prior to the expiration of the license then in force.

Commitments

The Company leases land, office space and certain equipment under non-cancelable operating lease arrangements. These leases expire in various years. Rent expense under these lease agreements for the years ended December 31, 2003 and 2002 were approximately $3.5 million and $3.7 million, respectively. Future minimum lease payments under noncancelable operating leases consist of the following at December 31, 2003 (in thousands):

2004	$ 3,973
2005	2,290
2006	1,841
2007	1,608
2008 and thereafter	21,536
Total	$ 31,248

13. Subsequent Events

In conjunction with the purchase of RIH from KINA in April 2001 by CRH and RIHC, CRH obtained an option to purchase approximately 10.0 acres of real property immediately adjacent to the Resorts site and approximately 2.0 acres of real property located in the Atlantic City metropolitan area, pursuant to an option agreement ("Option Agreement") for a total purchase price of $40.0 million. Portions of the option property (the "Option Land") are zoned for casino hotel use and are available for future expansion. Some of the option property was leased from KINA by RIH for use as a surface parking lot under a lease agreement with terms running contemporaneous with the terms of the Option Agreement.

The Option Agreement had a two-year term, which could be extended for two additional one-year terms upon the payment of a $2.5 million extension fee payable upon each extension. The initial term of the Option Agreement was to expire in April 2003. The expiration date of the initial term of the Option Agreement was initially extended to June 15, 2003, as negotiations between the Companies and KINA for the purchase of the Option Land commenced. Subsequently, the expiration date of the initial term was further extended, upon the payment by RIH of one-half of the $2.5 million extension fee.

In January 2004, CRH announced that it had reached agreement with KINA to acquire the Option Land, subject to the approval of the New Jersey Casino Control Commission, which approval was received on March 17, 2004. Following the approval, the Option Land was acquired by Resorts Real Estate Holdings, Inc. ("RREH"), a wholly-owned subsidiary of CRH, in exchange for the issuance of a $40 million note by RREH to KINA. This $40 million note will mature immediately following the maturity, acceleration or refinancing (other than permitted refinancing) of the First Mortgage Notes which are due March 22, 2009. Interest on the $40 million note will be payable semi-annually, and will be calculated at the following annual rates: 0% through September 2004, 4% from October 2004 through March 2006, 6% from April 2006 through March 2008, and 9% from April 2008 through March 2009. The note payable to KINA is guaranteed by CRH, RIHC and RIH, provided, however that the guarantee of RIHC and RIH does not become effective until either the First Mortgage Notes have been paid in full or the fixed charge coverage ratio (the ratio of Consolidate EBITDA to Fixed Charges, all as further defined in the First Mortgage Notes Indenture) of RIHC is at least 2.0 to 1.0. In addition, the amount guaranteed is initially limited to $20 million increasing by $5 million each year.

In conjunction with the option land purchase transaction, the Option Agreement between RIHC and KINA was terminated. With the termination of the Option Agreement, the lease agreement between KINA and RIH converts to a month-to-month fair market value lease. As part of the option land purchase transaction, the lease was amended to be a triple-net lease and was assigned by KINA to RREH. The amended agreement calls for the following payments: a $1.3 million security deposit paid upon closing, offset against lease payments of $205,000 per month through September 2004; $135,833 per month from October 2004 through March 2006; $202,500 per month from April 2006 through March 2008; $302,500 per month from April 2008 through March 2009 and $402,500 per month thereafter. The lease agreement may be terminated by either party upon 30 days notice, with the remaining security deposit refunded to RIH upon termination.

STATEMENT OF CONFORMITY, ACCURACY, AND COMPLIANCE

1. I have examined this Quarterly Report.

2. All the information contained in this Quarterly Report has been prepared in conformity with the Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.

3. To the best of my knowledge and belief, the information contained in this report is accurate.

4. To the best of my knowledge and belief, except for the deficiencies noted below, the licensee submitting this Quarterly Report has remained in compliance with the financial stability regulations contained in N.J.A.C. 19:43-4.2(b)1-5 during this year.

Signature

Senior Vice President of
Finance and Chief Financial Officer
Title

4514-11
License Number

On Behalf Of:
RESORTS INTERNATIONAL HOTEL, INC.
Casino Licensee

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

LICENSEE RESORTS INTERNATIONAL HOTEL, INC.

FOR THE YEAR ENDED DECEMBER 31, 2003

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

TRADING NAME OF LICENSEE: RESORTS INTERNATIONAL HOTEL, INC.

SCHEDULE OF RECEIVABLES AND PATRONS' CHECKS

FOR THE YEAR ENDED DECEMBER 31, 2003

(UNAUDITED)
($ IN THOUSANDS)

ACCOUNTS RECEIVABLE BALANCES

LINE (a)	DESCRIPTION (b)	ACCOUNT BALANCE (c)	ALLOWANCE (d)	ACCOUNTS RECEIVABLE NET OF ALLOWANCE (e)
	Patrons' Checks:			
1	Undeposited Patrons' Checks	$ 3,158		
2	Returned Patrons' Checks	2,575		
3	Total Patrons' Checks	5,733	$ 2,011	$ 3,722
4	Hotel Receivables	321	41	280
	Other Receivables:			
5	Receivables Due from Officers and Employees	-		
6	Receivables Due from Affiliates	-		
7	Other Accounts and Notes Receivables	1,173		
8	Total Other Receivables	1,173	-	1,173
9	Totals (Form CCC-205)	$ 7,227	$ 2,052	$ 5,175

UNDEPOSITED PATRONS' CHECKS ACTIVITY

LINE (f)	DESCRIPTION (g)	AMOUNT (h)
10	Beginning Balance (January 1)	$ 2,832
11	Counter Checks Issued (Excluding Counter Checks Issued Through Transactions Relating to Consolidations, Partial Redemptions, Substitutions, and Patrons' Cash Deposits)	97,999
12	Checks Redeemed Prior to Deposit (Excluding the Unredeemed Portion of Counter Checks Redeemed Through Partial Redemptions, and Excluding Checks Redeemed Through Transactions Relating to Consolidations, Substitutions, and Patrons' Cash Deposits)	(74,745)
13	Checks Collected Through Deposits	(20,146)
14	Checks Transferred to Returned Checks	(2,782)
15	Other Adjustments	-
16	Ending Balance	3,158
17	"Hold" Checks Included in Balance on Line 16	$ -
18	Provision for Uncollectible Patrons' Checks	$ 468
19	Provision as a Percent of Counter Checks Issued	0.5%

Under penalties of perjury, I declare that I have examined this Schedule of Receivables and Patrons' Checks and to the best of my knowledge and belief, it is true and complete.

March 30, 2004
Date

Signature

Senior Vice President of
Finance and Chief Financial Officer
Title Of Officer

ANNUAL EMPLOYMENT AND PAYROLL REPORT

LICENSEE RESORTS INTERNATIONAL HOTEL, INC.

FOR THE YEAR ENDED DECEMBER 31, 2003

**TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY**

TRADING NAME OF LICENSEE: RESORTS INTERNATIONAL HOTEL, INC.

ANNUAL EMPLOYMENT AND PAYROLL REPORT

AT DECEMBER 31, 2003
($ in Thousands)

LINE (a)	DEPARTMENT (b)	NUMBER OF EMPLOYEES AT DECEMBER 31, (c)	SALARIES AND WAGES Other Employees (d)	Officers & Owners (e)	Totals (f)
	CASINO				
1	Administration	3			
2	Gaming	580			
3	Slots	315			
4	Casino Accounting	12			
5	Simulcasting	8			
6	Other	15			
7	Total - Casino	933	$ 24,526	$ 278	$ 24,804
8	ROOMS	263	7,234	215	7,449
9	FOOD AND BEVERAGE	668	12,851	-	12,851
	OTHER OPERATED DEPARTMENTS				
10	Employee Cafeteria	34	1,035	-	1,035
11	Transportation	47	748	-	748
12	Uniform Room	12	312	-	312
13	Health Club	10	238	-	238
14	Reds	3	32	-	32
15	Other	9	198	-	198
16					
17					
18					
19					
	ADMINISTRATIVE AND GENERAL				
20	Executive office	16	470	1,487	1,957
21	Accounting and auditing	69	1,673	-	1,673
22	Security	178	4,456	-	4,456
23	Other administrative and general department	84	2,365	-	2,365
24	MARKETING	165	4,657	605	5,262
25	GUEST ENTERTAINMENT	223	1,156	-	1,156
26	PROPERTY OPERATION AND MAINTENANCE	101	4,635	-	4,635
27	TOTALS - ALL DEPARTMENTS	2,815	$ 66,586	$ 2,585	$ 69,171

Under the penalties provided by law, I declare that I have examined this report, and to the best of my knowledge and belief, it is true and complete.

March 30, 2004
Date

Signature

Senior Vice President of
Finance and Chief Financial Officer
Title of Officer

GROSS REVENUE
ANNUAL TAX RETURN

LICENSEE RESORTS INTERNATIONAL HOTEL, INC.

FOR THE YEAR ENDED DECEMBER 31, 2003

TO THE
CASINO CONTROL COMMISSION
OF THE
STATE OF NEW JERSEY

TRADING NAME OF LICENSEE RESORTS ATLANTIC CITY

GROSS REVENUE ANNUAL TAX RETURN

FOR THE YEAR ENDED DECEMBER 31, 2003
($ in Thousands)

Line			
	CASINO WIN:		
1.	Table and Other Games Win		$ 58,212
2.	Slot Machines Win		174,843
3.	Total Win		233,055
	Less - Adjustment for Uncollectible Patrons' Checks:		
4.	Provision for Uncollectible Patrons' Checks	$ 456	
5.	Maximum Adjustment (4% of line 3)	$ 9,322	
6.	Adjustment (the lesser of line 4 or line 5)		456
7.	Gross Revenue (line 3 less line 6)		$ 232,599
8.	Tax on Gross Revenue - Reporting Year (8% of line 7)		$ 18,608
9.	Audit or Other Adjustments to Tax on Gross Revenues in Prior Years		-
10.	Total Taxes on Gross Revenue (the sum of lines 8 and 9)		18,608
11.	Total Deposits Made for Tax on Reporting Year's Gross Revenue		(18,622)
12.	Settlement of Prior Years' Tax on Gross Revenue Resulting from Audit or Other Adjustments - (Deposits) Credits		-
13.	Gross Revenue Taxes Payable (the net of lines 10, 11 and 12)		$ (14) [1]

[1] The amount represents a decrease in tax for 2003, as a result of a casino revenue adjustment following the end of the year. The subsequent tax credit was made in January 2004.

Under penalties of perjury, I declare that I have examined this Gross Revenue Annual Tax Return and to the best of my knowledge and belief, the information contained in this return is accurate.

3/15/2004
Date

Signature

Executive Director of Finance
Title of Officer

4/01

CCC-381